

AMENDED IN SENATE AUGUST 20, 2014

AMENDED IN SENATE JUNE 30, 2014

AMENDED IN ASSEMBLY MAY 27, 2014

AMENDED IN ASSEMBLY APRIL 21, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2672

Introduced by Assembly Member Perea

February 21, 2014

An act to add Section 783.5 to the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2672, as amended, Perea. Access to energy: disadvantaged communities: San Joaquin Valley.

Under

(1) *Under* existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical and gas corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires the commission to establish various programs that provide assistance to low-income electric and gas customers.

This bill would require the ~~commission to require a gas corporation that provides natural gas service in the San Joaquin Valley to identify by January 31, 2015, disadvantaged communities in the San Joaquin Valley that do not have natural gas service. The bill would require the~~ commission, by March 31, 2015, to initiate a new proceeding to ~~conduct~~

~~an affordable energy feasibility study for those communities. The bill would require the commission to determine whether any option analyzed in the study would increase access to affordable energy in an economically viable manner. For these options, the bill would require the commission to take appropriate action and to determine appropriate funding sources.~~ *identify disadvantaged communities in the San Joaquin Valley meeting specified requirements and to analyze economically feasible options to increase access to affordable energy in those disadvantaged communities. The bill also would require the commission to determine whether the options analyzed would increase access to affordable energy to those disadvantaged communities in a cost-effective manner. The bill would require the commission, for those options, to take appropriate action and determine appropriate funding sources.*

(2) This bill would make legislative findings and declarations as to the necessity of a special statute for the San Joaquin Valley.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) Many low-income communities throughout California's San
- 3 Joaquin Valley lack access to natural gas lines.
- 4 (b) Increasing access to affordable energy can improve the
- 5 health, safety, and air quality of these communities.
- 6 SEC. 2. Section 783.5 is added to the Public Utilities Code, to
- 7 read:
- 8 783.5. (a) For the purposes of this section, the following terms
- 9 have the following meanings:
- 10 (1) "Disadvantaged community" means ~~an area of the~~ *a San*
- 11 *Joaquin Valley in which a high concentration of low-income*
- 12 *customers of an electrical corporation are enrolled in the CARE*
- 13 *program pursuant to Section 739.1. community that meets all of*
- 14 *the following criteria:*
- 15 (A) *At least 25 percent of residential households with electrical*
- 16 *service are enrolled in the CARE program pursuant to Section*
- 17 *739.1.*
- 18 (B) *Has a population greater than 100 persons within its*
- 19 *geographic boundaries as identified by the most recent United*
- 20 *States Census or a community survey.*

1 (C) *Has geographic boundaries no farther than seven miles*
2 *from the nearest natural gas pipeline operated by a gas*
3 *corporation.*

4 (2) “San Joaquin Valley” means the counties of Fresno, Kern,
5 Kings, Madera, ~~Tulare~~, Merced, *San Joaquin*, Stanislaus, ~~San~~
6 ~~Joaquin, and Kern. and Tulare.~~

7 ~~(b) The commission shall require a gas corporation that provides~~
8 ~~natural gas in the San Joaquin Valley to identify by January 31,~~
9 ~~2015, disadvantaged communities that do not have natural gas~~
10 ~~service.~~

11 ~~(e) The~~

12 ~~(b) No later than March 31, 2015, the commission shall, by~~
13 ~~March 31, 2015, shall initiate a new proceeding to conduct an~~
14 ~~affordable energy feasibility study for communities identified~~
15 ~~pursuant to subdivision (b). The study shall include analysis of the~~
16 ~~economic feasibility do all of the following options: following:~~

17 ~~(1) Identify disadvantaged communities based on the criteria~~
18 ~~specified in subdivision (a).~~

19 ~~(2) Analyze the economic feasibility of the following options:~~

20 ~~(1)~~

21 (A) Extending natural gas pipelines to ~~the~~ those disadvantaged
22 communities.

23 ~~(2)~~

24 (B) Increasing subsidies for electricity for ~~individuals~~ residential
25 customers in those disadvantaged communities.

26 ~~(3)~~

27 (C) Other alternatives that would increase access to affordable
28 energy in those disadvantaged communities that the commission
29 deems appropriate.

30 ~~(4)~~

31 (c) The commission shall determine whether any of the options
32 analyzed in the ~~study proceeding~~ would increase access to
33 affordable energy in ~~an economically viable~~ a cost-effective
34 manner. For these options, the commission shall take appropriate
35 action and determine appropriate funding sources.

36 SEC. 3. *The Legislature finds and declares that a special law*
37 *is necessary and that a general law cannot be made applicable*
38 *within the meaning of Section 16 of Article IV of the California*
39 *Constitution because of the unique circumstance that the San*
40 *Joaquin Valley is home to many communities that lack access to*

- 1 *natural gas service and it is necessary to ensure more affordable*
- 2 *and cleaner alternatives are available.*

O